230863

GIORDANO, HALLERAN & CIESLA

A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW

MARC D. POLICASTRO, ESQ.
SHAREHOLDER
ALSO ADMITTED TO PRACTICE IN NY
MPOLICASTRO@GHCLAW.COM
DIRECT DIAL: (732) 219-5484

(732) 741-3900
FAX: (732) 224-6599

www.ghclaw.com

August 2, 2013

Client/Matter No. 15842/1

VIA FEDERAL EXPRESS

David Rosoff, On Scene Coordinator
U.S. Environmental Protection Agency, Region 2
Hudson River Field Office
421 Lower Main Street
Hudson Falls, New York 12839

Fred Mumford, Section Chief
N.J. Department of Environmental Protection
380 Scotch Road
P.O. Box 413
Ewing, New Jersey 08625

Joseph Eldridge, Director
New Jersey Department of Health
Consumer, Environmental and Occupational Health Service
P.O. Box 369
Trenton, New Jersey 08625-0369

RE: 25 Sherwood Lane, Block 2302, Lot 8, Fairfield, New Jersey

Gentlemen:

This firm represents Cardean, LLC and Frameware Inc., which since April 2002 have been the owner and tenant, respectively, of 25 Sherwood Lane, Block 2302, Lot 8, Fairfield, New Jersey, also known as the Unimatic Manufacturing Corporation Site (the "Subject Property"). By way of background, please note that Cardean and Frameware are bona fide prospective purchasers ("BFPP") under §101(40) of the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. §9601(40), protected from liability by CERCLA §107(r), 42 U.S.C. 9607(r). Cardean purchased the property from Unimatic in 2002. Since then, Cardean and Frameware have consistently cooperated with the remediation process, and have not contributed to nor exacerbated any contamination at the site. Frameware's operations do not involve any discharge of hazardous substances.

Reference is made to the March 8, 2013 letter from Mr. Joseph Eldridge of the New Jersey Department of Health ("NJDOH") to Mr. Fred Mumford of the New Jersey Department of Environmental Protection ("NJDEP"), a copy of which is attached hereto, wherein the NJDOH categorized the Subject Property as a public health hazard due to the presence of elevated levels of PCBs in the air within the building, and recommended that the building be vacated and remediated. This letter shall confirm that in accordance with the recommendation of the NJDOH, Cardean and Frameware have

vacated the Subject Premises on July 26, 2012 and have decontaminated all racks and equipment located therein. Electricity has been left on at the Subject Premises.

Cardean and Frameware have experienced economic hardship as a result of the move and decontamination activities. As we have previously communicated to the USEPA, NJDEP and NJDOH, Cardean and Frameware's actions should not be deemed to be an admission of liability, expressly or implicitly, in any way, with respect to the contamination of the Subject Property. Further, as we have in the past, we must reserve all rights at law or in equity or otherwise.

Please feel free to call me with any questions. Thank you.

Very truly yours,

MARC D. POLICASTRO

Enc.
cc: Carmen DeLuccia
Dean DeLuccia (via Email)

Docs #1363098-v1

State of New Jersey
DEPARTMENT OF HEALTH
CONSUMER, ENVIRONMENTAL AND OCCUPATIONAL HEALTH SERVICE
PO BOX 369
TRENTON, N.J. 08625-0369

www.nj.gov/health

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

MARY E. O'DOWD, M.P.H.
Commissioner

March 8, 2013

Mr. Fred Mumford
Section Chief
New Jersey Department of Environmental Protection
380 Scotch Road
PO Box 413
Ewing, NJ 08625

Dear Mr. Mumford:

This Letter Health Consultation (LHC) has been completed by the New Jersey Department of Health (NJDOH), through a cooperative agreement with the federal Agency for Toxic Substances and Disease Registry (ATSDR), for the Unimatic Manufacturing Corporation Site located in Fairfield, Essex County, New Jersey. This LHC was prepared at the request of the New Jersey Department of Environmental Protection (NJDEP) to evaluate the health risks to workers exposed to polychlorinated biphenyls (PCBs) which were found within and around the building.

Background

The Unimatic Manufacturing Corporation Site consists of a single story building constructed in 1955 for Unimatic and was originally used as a tool shop and later for dye casting. Since 2002 the site has been occupied by Frameware Inc. which uses the building to manufacture and distribute picture frame hardware and fasteners. The site has a history of PCB discharge to the surrounding surface and sub-surface soils. During September and October, 2012 soil sampling for PCBs was performed at the site by the US EPA. In addition, sampling for PCBs was conducted within the facility. Various indoor media were sampled including air, surfaces (wipes), surface dust and chips of building substrates (walls and floors). In addition to PCB contamination, the groundwater is also contaminated with volatile organic compounds (VOCs) in the area of the site. The DOH and ATSDR do not currently have any indoor air VOC data to evaluate any additional risk posed by VOC's through vapor intrusion.

Discussion

The most commonly observed health effects in people exposed to large amounts of PCBs are skin conditions such as acne and rashes. These health effects occur at levels much higher than what has been found in the Unimatic facility, however, the sampling event in October 2012 represents one point in time so it is not known if the levels were higher in the past. In addition, studies in exposed workers have shown changes in blood and urine that may indicate liver damage. Studies of workers also indicate that PCBs were associated with certain kinds of cancer

in humans, such as cancer of the liver and biliary tract (ATSDR 2001). Women exposed to high levels of PCBs when pregnant have babies with lower birth weights and effects on the nervous system and immune system. Although there may be acute and chronic non-cancer health effects associated with exposure to PCBs, the most recent data seem to indicate that the primary concern for workers at the Unimatic site is the potential for long term health effects, specifically cancer, from chronic exposure to PCBs in the building.

In animal studies, animals that ate food containing large amounts of PCBs for short periods of time had mild liver damage and some died. Animals that ate smaller amounts of PCBs in food over several weeks or months developed anemia, acne-like skin conditions, and showed damage to the liver, stomach, and thyroid gland. Other effects of PCBs in animals include immune system and behavior changes, and reproductive affects. PCBs are not known to cause birth defects.

Although there are medical tests to measure levels of PCBs in blood, body fat, and breast milk, these are not routinely conducted. Most people normally have low levels of PCBs in their body because nearly everyone has been environmentally exposed to PCBs. Medical tests can show if a person has elevated PCB levels in their body above what would be considered normal, indicating past exposure to PCBs at above-normal levels, but it cannot determine when or how long a person was exposed or whether health effects will occur.

Public Health Implications of Completed Exposure Pathways

Facility workers are subject to multiple sources/pathways of PCB exposure. The primary exposure pathway to workers is the inhalation pathway. Seven indoor air samples detected PCB (Aroclor 1242) concentrations above background levels (0.003-0.010 micrograms/m^3 for urban areas) (US EPA 2013). The indoor air concentration of PCBs in the building ranged from 1.9 to 20 micrograms/m^3. In addition, contact with building surfaces coated with PCB (Aroclor 1248) residuals would be a secondary source of exposure via skin absorption and incidental ingestion. Furthermore, workers may also be exposed via skin contact and incidental ingestion of contaminated soil. Soil samples collected around the building in September 2012 indicated levels of PCBs exceeding the NJDEP non-residential cleanup standards. These elevated levels were found in areas of heavy truck traffic and near the building's rear entrance.

When assessing an exposure risk to a contaminant, the US EPA recommends the 95 percent upper confidence limit (95% UCL) of the arithmetic mean be used to determine the exposure point concentrations (EPC) for site-related contaminants (US EPA 1992). An EPC is considered to be the concentration of a contaminant at the point of human exposure. The 95% UCL is considered a 'conservative estimate' of the average contaminant concentrations in an environmental medium to represent the EPC. However, due to the small number of samples (less than 10), the US EPA recommends that the maximum concentration be used instead of the 95% UCL to evaluate risk.

Cancer Health Effects – Inhalation of PCB contaminated air

An estimated exposure dose was calculated using the following formula:

$$\textit{Exposure Dose (mg/kg/day)} = \frac{C \times IR \times EF}{BW} \times \frac{ED}{AT}$$

where C = Concentration of PCBs in air, in mg/m^3
IR = Adult Inhalation Rate
EF = Exposure Factor representing specific exposure scenario
BW = Adult Body Weight
ED = Exposure Duration representing the location-specific scenario
AT = Averaging Time (78 years x 365 days/year).

The theoretical lifetime excess cancer risk (LECR) for workers was calculated by multiplying the exposure dose by the cancer slope factor (CSF). The CSF is defined as the slope of the dose-response curve obtained from animal and/or human cancer studies and is expressed as the inverse of the daily exposure dose, i.e., $(mg/kg/day)^{-1}$.

The site-specific LECR indicates the cancer causing potential of contaminants found at the site. LECR estimates are usually expressed in terms of excess cancer cases in an exposed population in addition to the background rate of cancer. For perspective, the lifetime risk of being diagnosed with cancer in the United States is 46 per 100 individuals for males, and 38 per 100 for females; the lifetime risk of being diagnosed with any of several common types of cancer ranges between 1 in 100 to 10 in 100 (SEER 2005). The NJDOH considers estimated cancer risks of less than one additional cancer case among one million persons exposed (expressed exponentially as 10^{-6}) as no increased risk.

C (mg/m3)	IR (m3/hr)	EF (hrs/yr)	ED (yrs)	BW (kg)	AT (days)	Dose mg/kg/day	CSF	LECR
.02	0.67	2080	10	80	28470	1.2E-04	2.0	2.4E-04

Based on the indoor air data collected in October 2012, the maximum concentration is 20 micrograms/m^3. This concentration produces a LECR of 2 in 10,000 individuals ($2x10^{-4}$) based on a typical worker scenario of 8 hour days, 5 days per week for 10 years. The ten year duration is based on information provided by the US EPA regarding the maximum amount of time workers have occupied the building. This is considered by the NJDOH to be a low increase in lifetime cancer risk in comparison to background risk. It is important to note that the cumulative cancer risk may be higher given the additional exposure pathways of dermal and incidental ingestion. Furthermore, the calculated LECR is considered to be unacceptable by the US EPA.

Conclusions and Recommendations

Based on the review of available data, the ATSDR and NJDOH categorize the current and future use of the Unimatic Manufacturing Corporation Site as a ***public health hazard*** due to the presence of elevated levels of PCBs in the air within the building. Workers in the Unimatic facility have been exposed to PCBs through several exposure routes for a 10 year period which

puts workers at an increased risk for cancer. As described in this letter, the inhalation exposure pathway alone provides evidence that occupying this building is putting workers at risk.

Based on these findings, the NJDOH recommends the following:

1. Workers should be re-located as soon as feasible in order to prevent on-going exposure. In order to protect workers from any further increased cancer risk (additional $1x10^{-5}$ risk), the NJDOH recommends that workers vacate the building within four to six months.

2. Once the building is vacant, it should not be re-occupied until remediation takes place and PCB levels are reduced to levels that will not pose an unacceptable health risk to building occupants.

3. The NJDOH is not recommending biological testing since the results would not have any clinical relevance to individual workers; however workers wishing to discuss health concerns related to PCB exposure may contact the University of Medicine and Dentistry's Environmental and Occupational Health Sciences Institute (EOHSI) at 848-445-0123. The EOHSI clinic has physicians specializing in environmental and occupational medicine.

4. Due to area groundwater contamination, a vapor intrusion investigation should be conducted at the site to determine if any additional risk exists to workers from exposure to VOCs through the vapor intrusion pathway.

The NJDOH and ATSDR are available to review any additional data and provide further guidance as appropriate. The NJDOH and ATSDR are also available to assist the NJDEP and the US EPA in communicating the health risks to the building owner and workers.

If you have any questions regarding the findings presented in this letter, please contact me at 609-826-4920 or by email at Joe.Eldridge@doh.state.nj.us.

Sincerely,

Joseph Eldridge, Director
Consumer, Environmental & Occupational
Health Service

c: Leah Graziano, ATSDR
David Rosoff, US EPA